**Vote No. 146** 

June 27, 1997, 11:37 am Page S-6678 Temp. Record

## TAXPAYER RELIEF ACT/No Post-2002 Deficits

SUBJECT: Taxpayer Relief Act of 1997 . . . S. 949. Frist motion to waive the Budget Act for the consideration of the Frist amendment No. 571.

## **ACTION: MOTION REJECTED, 59-41**

SYNOPSIS: As reported, S. 949, the Taxpayer Relief Act of 1997, will provide net tax relief of \$76.8 billion over 5 years and \$238 billion over 10 years. The cost will be more than offset by the economic dividend (\$355 billion over 10 years) that will result from balancing the budget in fiscal year (FY) 2002. This bill will enact the largest tax cut since 1981 and the first tax cut since 1986. It will give cradle-to-grave tax relief to Americans: it will give a \$500-per-child tax credit, education tax relief, savings and investment tax relief, retirement tax relief, and estate tax relief. Over the first 5 years, approximately three-fourths of the benefits will go to Americans earning \$75,000 or less. It will eliminate a third of the increased tax burden imposed by the 1993 Clinton tax hike, which was the largest tax hike in history.

The Frist amendment would create a Budget Act point of order against considering any legislative measure that would cause a deficit in fiscal year 2002 or any year thereafter. The point of order could be waived by a three-fifths majority (60) vote in the Senate. Additionally, the President's annual budget proposal could not propose a deficit for the current or subsequent years.

The Frist amendment was offered after all debate time had expired. However, by unanimous consent, some debate was permitted. Following debate, Senator Lautenberg raised the point of order that the amendment violated section 313(b)(1)(A) of the Budget Act. Senator Frist then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A motion to waive the Budget Act requires a three-fifths majority (60) vote of the Senate to succeed. Following the vote, the point of order was upheld and the amendment thus fell.

**Those favoring** the motion to waive contended:

The text of the bipartisan budget agreement states that "agreed upon budget levels are shown on the tables included in this

## (See other side)

YEAS (59)			NAYS (41)			NOT VOTING (0)	
Republicans Democrats (55 or 100%) (4 or 9%)		Republicans	Democrats		Republicans	Democrats	
		(4 or 9%)	(0 or 0%)	(41 or 91%)		(0)	(0)
Abraham Allard Ashcroft Bennett Bond Brownback Burns Campbell Chafee Coats Cochran Collins Coverdell Craig D'Amato DeWine Domenici Enzi Faircloth Frist Gorton Gramm Grams Grassley Gregg Hagel Hatch Helms	Hutchinson Hutchison Inhofe Jeffords Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob Smith, Gordon Snowe Specter Stevens Thomas Thompson Thurmond Warner	Conrad Feingold Kohl Robb		Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Cleland Daschle Dodd Dorgan Durbin Feinstein Ford Glenn Graham Harkin Hollings Inouye	Johnson Kennedy Kerrey Kerry Landrieu Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Reed Reid Rockefeller Sarbanes Torricelli Wellstone Wyden	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other  SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea

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agreement." Those tables include budget projections through the year 2007 which show increasing budget surpluses from 2002 through 2007. The clear intent is to balance the budget and then, at a minimum, to keep it balanced for every year thereafter. Members are increasingly aware of the great fiscal problems that are going to arise in the coming decades when baby boomers begin to retire. There are so many baby boomers, they had so few children, and they are expected to live so much longer than previous retirees, that the economy is going to be seriously strained. If present trends continue, in just 15 years mandatory spending, mostly for retirees, plus interest on the Federal debt will consume every cent in revenues collected. There will be nothing left over for parks, roads, science, agriculture, medical research, or any other Federal program. Clearly we are not on a sustainable course. Everything possible must be done to restrain spending now and keep the budget balanced so that the United States will be in better financial shape to withstand the pressure when the huge retirement crunch hits. Though Members understand that once the budget is balanced in 2002 it is going to have to be kept in balance, this resolution does not contain budget mechanisms to restrain entitlement spending after 2002. The First amendment would correct this deficiency by requiring a three-fifths majority (60) vote to consider any measure that would create a deficit in 2002 or beyond, and it would also require the President to submit a balanced budget in 2002 and thereafter. We urge our colleagues to support this amendment.

## **Those opposing** the motion to waive contended:

We strongly oppose this amendment. If the Congressional Budget Office (CBO) estimated a large downturn in the economy, it would consequently result in higher spending and lower revenue estimates; in other words, it would estimate a large deficit. Under this bill, 60 votes would be required to allow deficit spending in that situation, whether the CBO's numbers were right or not. Deep cuts would likely have to be made in Social Security, Medicare, and other entitlement programs at the very time they would cause the most harm. We oppose that possibility, and therefore oppose the motion to waive.